Illinois Commerce Commission Initiative on Plug-In Electric Vehicles

Comments of the Illinois Competitive Energy Association

The Illinois Competitive Energy Association ("ICEA") is an Illinois not-for-profit corporation established as an Illinois-based trade association to represent the interests of competitive energy suppliers, including licensed Alternative Retail Electric Suppliers ("ARESs") and others interested in preserving and enhancing opportunities for customer choice and competition in the electric and natural gas industries in Illinois. ICEA's members include some of the most active and largest competitive energy suppliers in Illinois, such as Ameren Energy Marketing, Champion Energy, LLC, Constellation NewEnergy Inc., Direct Energy Services, LLC, Exelon Energy Company, Integrys Energy Services, Inc., MC2 Energy Services, LLC, and Nordic Energy Services, LLC.¹ ICEA's members serve residential, commercial, industrial, and public sector customers, including companies involved in the manufacturing industry; retail businesses; local units of government; cultural, sporting, and educational institutions; as well as hospitals, hotels, and restaurants throughout the state of Illinois.

As an Illinois trade association with members that support competitive energy markets and active ARES providing service to retail electric customers throughout the State, ICEA appreciates the opportunity to provide its Comments in Response to the Illinois Commerce Commission's ("Commission") Initiative On Plug-In Electric Vehicles (EV's).

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¹ Each member of ICEA expressly reserves the right to present its own individual position during the course of the initiative.

Introduction

ICEA has reviewed the comments filed by Commonwealth Edison Company ("ComEd"), the Ameren Illinois Utilities ("Ameren"), and Mid-American Energy Company ("MidAMerican"). ICEA's comments will focus on three general areas that impact the competitive electric market in Illinois as well as the customers of ARES. Those four (4) areas include:

- Regulatory and Legal Issues for Public Charging Providers;
- Utility Tariff and Rate Options for Residential At-Home Charging Infrastructure including IDC Rules;
- Metering of EV Usage; and
- Consumer Education and Outreach.

Regulatory and Legal Issues for Public Charging Providers

All three utilities have commented on the various issues related to the Commission's jurisdiction over public charging station providers. ICEA's reading of the comments is that MidAmerican has concluded that under current statutes it appears that public charging station providers are most likely considered ARES under Section 16-102 of the Illinois Public Utilities Act (the "Act'). 220 ILCS 5/16-102. While there are six exceptions to the definition of ARES, it appears that those exceptions would not apply to most (if not all) public charging station operators. ComEd takes the position that it is not completely clear if public charging station providers are ARES, because if a charging station is considered a "competitive service" offered

by an unregulated entity and not the resale of electricity then perhaps it is not subject to ARES regulation.²

ICEA agrees with MidAmerican that under the Act, public charging station operators who are selling electricity are ARES and require appropriate ARES certification. Further, in the ComEd and Ameren service territories, the typical anticipated "provider" of such a service (commercial customers such as shopping malls, retail stores, public parking garages and municipal parking facilities) are already largely supplied by ARES, not by the utility. Therefore, a requirement that such operators become ARES or in the alternative "subcontract" with their existing ARES supplier to provide the service does not require the development of new procedures by the utilities. Rather, it requires clarification of the rules for the provision of electric vehicle charging services. For example, open questions include such issues as if a commercial establishment such as a parking garage subcontracts with its ARES for the provision of charging services to its parking customers, does that ARES need to be certified for residential service even though the service is provided at a commercial location?

However, if a company, like a parking garage, is selling a premium parking service that includes access to re-charge an electric vehicle in the parking fee, then it is not clear that ARES certification is required. In other competitive jurisdictions where charging infrastructure is currently in place and where the resale of electricity similarly requires ARES certification, charging station operators have not been required to be certified ARES in certain

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² See ICEA's comments re statutory "loopholes" in the following paragraph which are an example of when the applicability of ARES status of public charging station services is unclear.

circumstances.³ The most common involve the charging session being "bundled" with a non-regulated service such as "premium parking." To the extent that the Commission determines that public charging station operators who sell electricity are ARES, ICEA would support the clarification of certain circumstances where access to recharging stations could be provided without requiring an ARES certification. Further, to the extent that the Commission determines that public charging station operators are subject to ARES jurisdiction, the Commission may want to consider a simplified process for certification of public charging station electricity sales including the extent to which such sales are subject to existing consumer protection statutes.

On the issue of transmission and distribution infrastructure, ICEA would support electric utilities creating a registry to monitor EV roll-out and implementation among ratepayers, so as to better evaluate and monitor the impact to the regional and local grid. This is likely not dissimilar to what utilities within Illinois have already planned on an ad hoc basis; we note that Ameren in its assessment says it "plans to reach out to auto manufactures (sic) and dealerships to seek their assistance in having customers contact us at the point of sale of the automobile." (Ameren ICC PEV Information Request, pg 1).

Finally, charging control, just as with control of any other in-house appliance or end-use of electricity, should remain within the domain of the consumer or ratepayer, with the customer retaining option to cede control to competitive suppliers. The existing variable rate structures provided by utilities currently, or to be offered by competitive suppliers, will provide the proper incentives for charging to occur during off-peak hours and not exacerbate peak demand. In lieu of using any load control device, as is suggested as a possibility by

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³ CPUC, Rulemaking Docket No. 90-08-009 (http://docs.cpuc.ca.gov/PUBLISHED/FINAL DECISION/106042.htm#TopOfPage)

Commonwealth Edison, promoting the usage of competitive suppliers providing real-time, time-of-use, or other smart pricing alternatives would provide an option that is more transparent to the consumer, and provide for better end-user experience for EVs.

Utility Tariff and Rate Options for Residential At-Home Charging Infrastructure including IDC Rules

Both ComEd and Ameren point to their existing residential hourly pricing programs as logical existing options for customers. ComEd presents the results of their analysis of Rate BES vs. Rate BES-H and concludes that rate BES-H provides significant incentive in the form of savings for off-peak charging. ComEd also raises the possibility of new TOU rate structures. ICEA believes that given the already demonstrated benefits of the existing utility hourly pricing programs that the development of additional TOU rate structures by the utilities is not warranted or cost justified. Further, with the launch of UCB-POR services at ComEd, residential customers who own electric vehicles will be logical candidates for ARES services geared to such loads.

ComEd and Ameren also raise the issue of the potential need for an IDC waiver to offer a tariff for PEV charging. While ComEd has a waiver for the offering of a real-time pricing pilot tariff, Ameren notes that "direct marketing or promoting RTP service to PEV customers may require a waiver from the ICC." ICEA believes that such direct marketing to PEV customers would require a waiver of the IDC Rules. In addition, to the extent that either utility develops a list of PEV customers in their service territory and utilizes that list to market to PEV customers,

such lists should also be made available to ARES for ARES marketing of energy supply to PEV customers.

The bottom line is that Illinois has a robust competitive retail market and the Commission should rely upon ARES to provide the rate structures to serve PEV customers.

Metering of EV Usage

On the issue of separate in-home metering to track usage of electric vehicles, none of the utilities advocate broad deployment of separate metering due to lack of known cost benefit to both the utility and the customer. ICEA agrees that separate in-home metering should not be a requirement. Further, ICEA would note that EVs have "on-board" measurement of the kwh used in charging. Certain automotive OEMs also have the ability to capture that usage data in near-real time via on board cellular equipment and will be testing the "meter quality" of such measurements in their early deployments of EVs. Therefore, at this stage, ICEA does see the need for separate utility metering of in-home electric vehicle usage due to lack of a benefit and the potential duplication with the ongoing development of cost effective on vehicle metering.

While basic metering technology is usable in the home, standards regarding technical specifications and billing/payment specifications will need to be created for metering at public charging stations.

Consumer Education and Outreach

On the issue of communicating with consumers about PEVs, utilities need to ensure that any communications do not inadvertently promote utility rate and service options that can also be provided by an ARES. Both Ameren and ComEd seem to suggest that as part of their outreach they intend to highlight rate and tariff options available to consumers that they offer. Perhaps as part of this communication, the utilities suggest that in addition to their rate options consumers consider ARES that are licensed to serve those customer classes in their service territories. A list of ARES suppliers in the service territory can be part of any consumer communications that discuss rate options for customers. The point here is that competitive retail suppliers are positioned to offer rate options that can meet the needs of these PEV customers and this should be part of educating the customer.

Conclusion

ICEA appreciates the opportunity to provide these Comments to the Commission's Initiative on Plug-In Electric Vehicles. We look forward to working with the Commission and all stakeholders to develop sensible rules and regulations that are consistent with the competitive market that has developed so well in Illinois.

Respectfully submitted,

Kevin Wright, President January 21, 2011